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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/656,479	09/04/2003	Jonathan Helitzer	HSDO-P01-003	8693
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ROPES & GRAY LLP PATENT DOCKETING 39/41 ONE INTERNATIONAL PLACE BOSTON, MA 02110-2624			PASS, NATALIE	
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			3626	
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			10/05/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/656,479

Applicant(s)

HELITZER ET'AL.

Examiner

Natalie A. Pass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 07 August 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 23-31 and 39-49 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 23-31, 39-49 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Notice to Applicant

1. This communication is in response to the amendment filed 7 August 2007. Claims 1-22, 32-38 have been cancelled. Claims 39-49 have been newly added. Claims 23-31, 39-49 remain pending. The Information Disclosure Statement filed 14 August has been entered and considered.

Claim Rejections - 35 USC § 112

2. Newly amended claim 23, and newly added claims 39, 41 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

- Claim 23 recites " the data output electronically " in lines 8-9;
- Claim 39 recites "the insurance company" in line 5, and "the data electronically output" in line 8; and
- Claim 41 recites "the data output by the incorporated technology and received by the insurance company" in lines 1-2, and "the covered building structure," in lines 2-3.

There is insufficient antecedent basis for these limitations in the claims.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person

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having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 23-31, 39-49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Prendergast et al., U.S. Patent Number 5, 842, 148, Lloyd et al., U.S. Patent Number 5, 950, 150 and McCabe article: The Lowdown Ways To Reduce The Premium On Homeowner's Insurance. Aug. 25, 2000, URL: <<http://proquest.umi.com/pqdweb?did=58666530&sid=2&Fmt=3&clientId=19649&RQT=309&VName=PQD>>, hereinafter known as McCabe for substantially the same reasons given in the previous Office Action (paper number 20070419). Further reasons appear hereinbelow.

(A) Claim 23 has been amended to include the recitation of

- ♦ "[...] content of the data [...]," at line 9.

As per these new limitations, Prendergast teaches a method as analyzed and discussed in the previous Office Action (paper number 20070419), further comprising

altering terms of the issued insurance policy based on content of the data output electronically by the incorporated technology (Lloyd; Abstract, column 8, lines 8-24, column 9, lines 19-22); Examiner interprets Lloyd's teachings of "[t]he system comprises at least one sensor for sensing at least one parameter of or resultant indicator of one or more fire/life safety system components ... [...] ... generates an operational criteria compliance verification report based upon the sensor data ... [...] ... These reports can be electronically forwarded to the owner, insurer, or management company at any time, or automatically forwarded on a scheduled basis for "normal" reporting. ... [...] ... real-time notification to appropriate entities can also be accomplished ... [...] ..." (emphasis added) (Lloyd; Abstract) together with Lloyd's teachings of

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“[b]y reducing the risk, losses decrease as well. With losses reduced, insurers will have fewer monetary payouts, and can in turn pass these savings on to the general public through reduced premiums” (emphasis added) (Lloyd; column 9, lines 19-22) to teach a form of “altering terms of the issued insurance policy based on content of the data output electronically by the incorporated technology.”

The remainder of claim 23 is rejected for the same reasons given in the prior Office Action (paper 20070419, section 6, pages 3-7), and incorporated herein.

The motivations for combining the respective teachings of Prendergast, Lloyd, and McCabe are as given in the rejection of claim 23 in the previous Office Action (paper number 20070419), and incorporated herein.

(B) As per the amendments to claims 25-26, these appear to have been made merely to correct minor typographical or grammatical errors. While these changes render the language of the claims smoother and more consistent, they otherwise affect neither the scope and breadth of the claims as originally presented nor the manner in which the claims were interpreted by the Examiner when applying prior art within the previous Office Action.

As such, the recited claimed features are rejected for the same reasons given in the prior Office Action (paper 20070419, section 6, pages 7-8), and incorporated herein.

(C) Claims 24, 27-31 have not been amended and are rejected for the same reasons given in the previous Office Action (paper 20070419, section 6, pages 7-8), and incorporated herein.

(D) As per newly added claim 39, Prendergast, Lloyd, and McCabe teach a method for insuring a building structure by taking into account technologies that militate against loss comprising:

maintaining a database identifying a plurality of technologies that reduce risk of loss to an associated building structure (Prendergast; column 2, lines 29-39);

issuing, by the insurance company (McCabe; Abstract, page 2, paragraph 3), an insurance policy covering a building structure that incorporates a technology from the plurality of technologies identified in the database (McCabe; Abstract, page 1, last paragraph, page 2, paragraph 3), wherein the incorporated technology is capable of outputting data electronically; Examiner interprets McCabe's teachings of "a central alarm system that's wired directly to a fire or police department" (McCabe; Abstract) to teach a form of "wherein the incorporated technology is capable of outputting data electronically;"

receiving the data electronically output by the incorporated technology (Lloyd; Abstract, Figure 14, column 22, lines 37-46); and

altering terms of the issued insurance policy based the received data (Lloyd; column 8, lines 8-24, column 9, lines 19-22).

The motivations for combining the respective teachings of Prendergast, Lloyd, and McCabe are as given in the rejection of claim 23 in the previous Office Action (paper number 20070419), and incorporated herein.

(E) As per newly added claims 40-43, Prendergast, Lloyd, and McCabe teach a method as analyzed and discussed in claim 39 above

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wherein altering the terms of the insurance policy comprises giving “lower insurance rates” (reads on “altering the premium”) (Prendergast; column 6, line 58 to column 7, line 2);

wherein the data output by the incorporated technology and received by the insurance company includes data indicating the condition of the covered building structure (Lloyd; column 8, lines 8-24, column 8, line 60 to column 9, line 22, column 22, lines 29-46, column 24, lines 1-52);

wherein the data output by the incorporated technology is output over a communications network (Lloyd; column 11, lines 49-57); and

wherein the data output by the incorporated technology is output via a broadcast transmission (Lloyd; column 11, lines 49-57).

The motivations for combining the respective teachings of Prendergast, Lloyd, and McCabe are as given in the rejection of claim 23 in the previous Office Action (paper number 20070419), and incorporated herein.

(F) Claim 44 differs from method claim 39, in that it is a system rather than a method for insuring a building structure by taking into account technologies that militate against loss.

System claims 44-46, 48-49 repeat the subject matter of claims 39-41, 40-41, respectively, as a set of elements rather than a series of steps. As the underlying processes of claims 39-41, 40-41, have been shown to be fully disclosed by the collective teachings of Prendergast, Lloyd, and McCabe in the above rejection of claims 39-41, 40-41, it is readily apparent that the system disclosed collectively by Prendergast, Lloyd, and McCabe includes the

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apparatus to perform these functions. As such, these limitations are rejected for the same reasons given above for method claims 39-41, 40-41, and incorporated herein.

(G) Claim 47 differs from method claim 39, in that it is a system rather than a method for insuring a building structure by taking into account technologies that militate against loss, and by reciting a “server associated with an insurance company...” in line 5.

As per this limitation, Prendergast clearly discloses his invention to be implemented on a “server ... [...] ... ” (Prendergast; column 2, line 29 to column 3, line 29); Examiner interprets Prendergast’s teachings of “data is input into a database usable by a probabilistic engine computer program. This program generates an estimate of the risk of damage to the structure ... [...] ... This risk determination can be converted into a standardized "rating" that can be used by homeowners, insurance companies, etc.” to be a form of a “server associated with an insurance company...”. The remainder of claim 47 repeats the limitations of claim 39, and is therefore rejected for the same reasons given above for claim 39.

Response to Arguments

5. Applicant's arguments filed 7 August 2007 have been fully considered but they are not persuasive. Applicant's arguments will be addressed hereinbelow in the order in which they appear in the response filed 7 August 2007.

(A) At pages 6-7 of the 7 August 2007 response, Applicant argues that the claimed features of the application are not taught or suggested by the applied references. In response, all

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of the limitations which Applicant disputes are missing in the applied references, including the newly added features in the 7 August 2007 amendment, have been fully addressed by the Examiner as being obvious in view of the combined teachings Prendergast, Lloyd, and McCabe, based on the logic and sound scientific reasoning of one ordinarily skilled in the art at the time of the invention, as detailed in the 35 USC §103 rejections given in the preceding sections of the present Office Action and in the prior Office Action (paper number 20070419), and incorporated herein. In particular, Examiner notes that the limitation of “altering terms of the issued insurance policy based on content of the data output electronically by the incorporated technology,” as recited in amended claim 23, is taught by the combined references. Specifically, Examiner interprets Lloyd’s teachings of “[t]he system comprises at least one sensor for sensing at least one parameter of or resultant indicator of one or more fire/life safety system components ... [...] ... generates an operational criteria compliance verification report based upon the sensor data [reads on “the content of the data output electronically by the incorporated technology”] ... [...] ... These reports can be electronically forwarded to the owner, insurer, or management company at any time, or automatically forwarded on a scheduled basis for "normal" reporting. ... [...] ... real-time notification to appropriate entities can also be accomplished ... [...] ...” (emphasis added) (Lloyd; Abstract) together with Lloyd’s teachings of “[b]y reducing the risk, losses decrease as well. With losses reduced, insurers will have fewer monetary payouts, and can in turn pass these savings on to the general public through reduced premiums” (emphasis added) (Lloyd; column 9, lines 19-22) to teach a form of “altering terms of the issued insurance policy based on content of the data output electronically by the incorporated technology.”

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With regard to Applicant's argument in lines 5-7 on page 6 of the 7 August 2007 response that the applied art fails to teach "the alteration of a term of an insurance company," (emphasis added) Examiner respectfully notes that these limitations are not recited in Applicant's claim limitations. Furthermore, Examiner notes that "a term" when applied to an insurance policy, generally refers to a length of time, whereas "terms" of an insurance policy generally refer to an assortment of variables, including coverage, premiums, deductibles, etc.

At page 6 of the 7 August 2007 response, Applicant analyzes the applied references separately and argues each of the references individually. In response to Applicant's piecemeal arguments analysis of the references, it has been held that one cannot show nonobviousness by attacking references individually where, as here, the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed Cir. 1986). In addition, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981).

As per Applicant's argument at the paragraph bridging pages 6-7 of the 7 August 2007 response that new independent claim 39 "recites the reception by the insurance company ... [...] ... and basing a change of a term of a policy ... [...] ... based on the data" (emphasis added) Examiner respectfully notes that these limitations are not recited in Applicant's claim 39.

Conclusion

6. **THIS ACTION IS MADE FINAL.** See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

7. **Any response to this final action should be mailed to:**

Box AF

Commissioner of Patents and Trademarks

Washington D.C. 20231

or faxed to:

(571) 273-8300.

For formal communications, please mark

"EXPEDITED PROCEDURE".

For informal or draft communications, please

label "PROPOSED" or "DRAFT" on the front page of the communication and do NOT sign the communication.

After Final communications should be labeled "Box AF."

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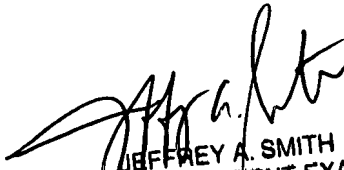
8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Natalie A. Pass whose telephone number is (571) 272-6774. The examiner can normally be reached on Monday through Thursday from 9:00 AM to 6:30 PM. The examiner can also be reached on alternate Fridays.

9. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas, can be reached at (571) 272-6776. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (571) 272-3600. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

10. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Natalie A. Pass

September 27, 2007


JEFFREY A. SMITH
SUPERVISORY PATENT EXAMINER
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